eviivo

THE WHAT, HOW AND WHY OF
DYNAMIC PRICING AUTOMATION:

A QUICK GUIDE FOR
HOTELS AND B&BS

You want to keep on top of all the latest trends and best practices in the hospitality industry...but you're busy. Super busy.

We get it.

That's why we've created this series of quick guides for hoteliers and B&B owners, covering key topics you need to know about.

All the insights. No fluff.

In this edition, we're exploring dynamic pricing. Why is pricing dynamically a key to successful revenue management, and how does automation factor into the process?

READ ON TO FIND OUT.

WHAT IS DYNAMIC PRICING?

Dynamic pricing involves using time-sensitive information and key metrics to update room rates at short notice, in line with fluctuations in demand.

Example: A hotel or B&B that uses dynamic pricing has insight into upcoming dates when demand will be high and sets a higher rate for those dates. Simple!

Benefits: When applied effectively, a dynamic pricing strategy makes it easier to

1. Fill your rooms
2. Optimize revenue

Effective dynamic pricing requires superhuman agility and efficiency, which is why it typically goes hand-in-hand with *automation*.

Imagine being able to instantly adjust your room rates or booking channels so you capture as much revenue as possible. Automating your dynamic pricing makes it achievable! Here are two ways to automatically optimize your pricing.

1. Automatic rate increases and decreases

What does it look like?
Automatically increasing your rates when you are reaching full occupancy and automatically lowering them when you have many rooms available.

How does it work?
With the right property management system (PMS), you can make rate updates happen automatically in response to occupancy-based rules that you've set up.

Give me an example...
You set a rule to automatically increase your rates by 10% for any date when you have just 2 or 3 rooms left available.

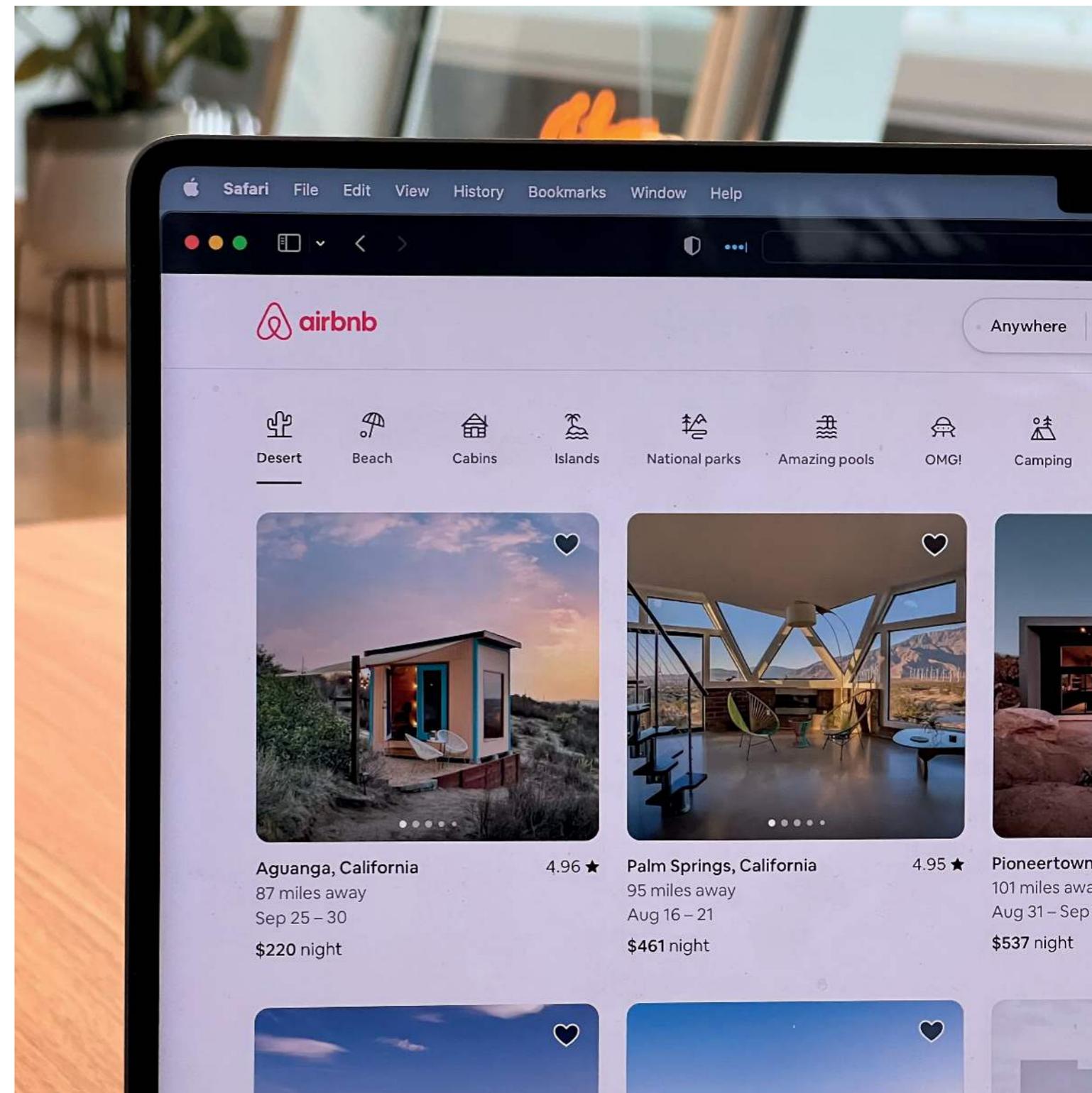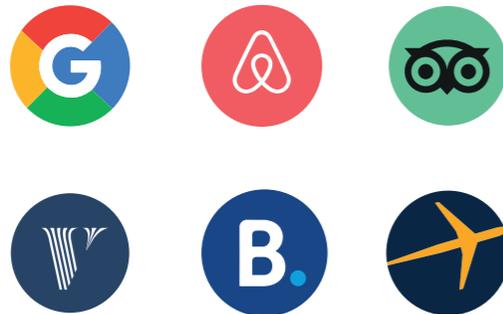**AUTOMATION?** TELL ME MORE...

2. Automatic closeout rules

If you use Online Travel Agencies (OTAs) to list your accommodation and take bookings, you may wish to automatically close your inventory on one, some, or all channels at certain thresholds.

Why do it?
Automatically closing your inventory on selected channels can help you increase your volume of commission-free direct bookings.

*HOWEVER:* Be sure you can get those direct bookings before you turn off any channels!

You can't truly grow with static rates. Dynamic pricing allows you to keep your room rates optimized by taking advantage (and control) of fluctuating demand levels.

And by using automation to bring your dynamic pricing strategies to life, you keep the revenue potential of your rooms at a peak *without losing any precious time.*

By establishing rules to automatically adjust rates or close inventory based on occupancy levels, *you take a one-time action that keeps your pricing optimized day after day.*

WHY AUTOMATE MY DYNAMIC PRICING?
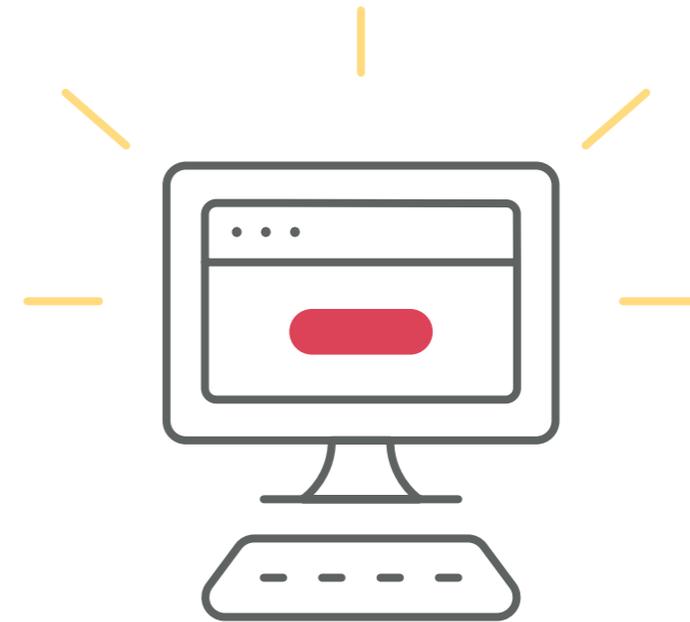
Boost the automation capabilities of your PMS by integrating them with specialized dynamic pricing software packages. Platforms such as **RoomPriceGenie** and **PriceLabs** automatically set your pricing based on a mixture of market trends and your historic booking performance.
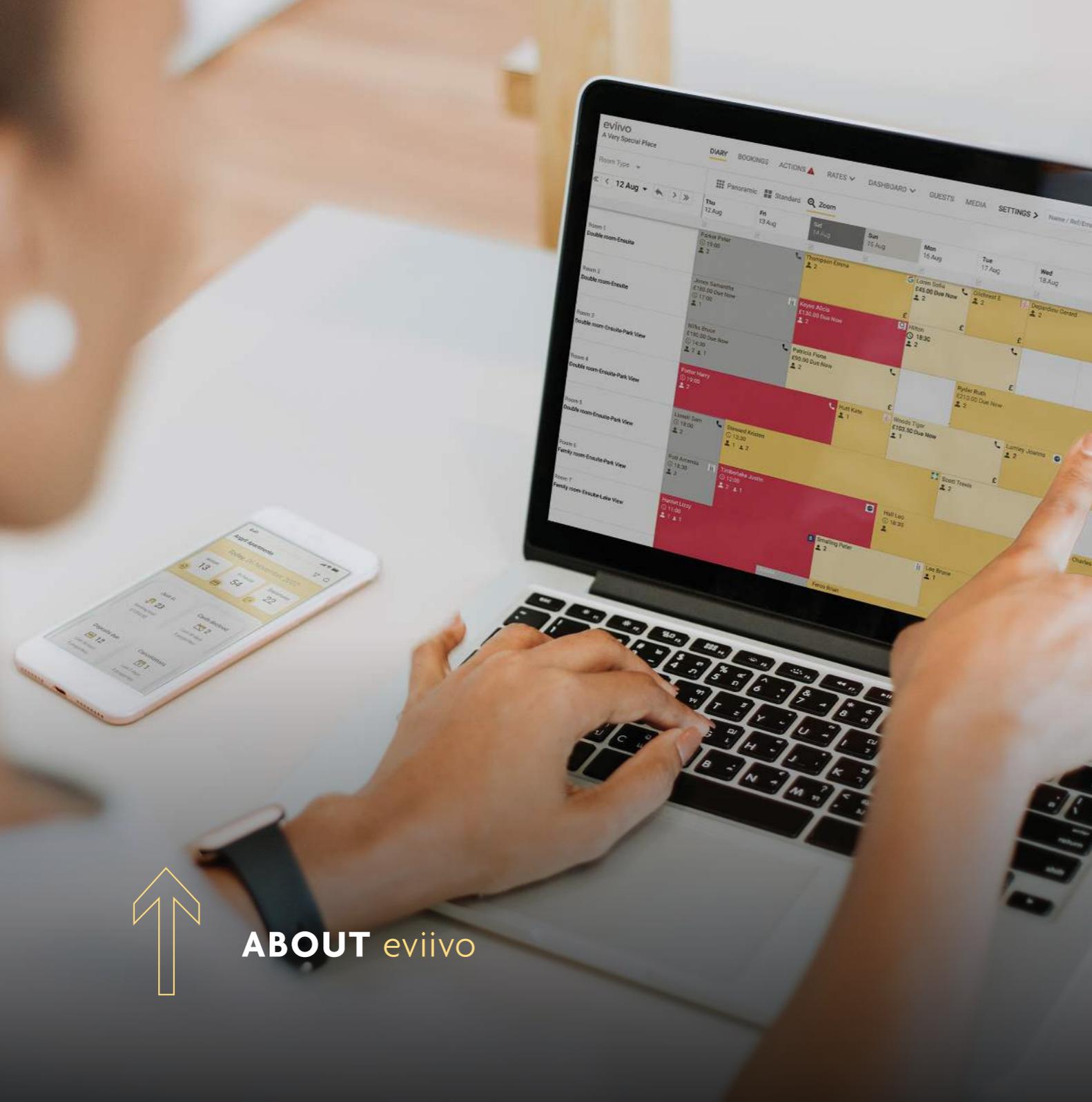
To learn more about this issue's topic, read our in-depth article here.

Would you like to learn more about how you can optimize your revenue with eviivo Suite?

Book your **FREE DEMO** of our award-winning software below.

BOOK DEMO

PRO TIP

Launched in 2011, eviivo is a leading hospitality software company known for its award-winning, cloud-based booking and property management system. eviivo Suite, an "all-in-one" system that allows property owners, hoteliers and hosts to manage guests, bookings and online travel agencies — such as Airbnb, Booking.com, Expedia and Vrbo — in one simple, easy-to-use platform, helping them increase revenue and occupancy, improve the guest experience and future-proof their business.

With over **20,000 accommodations** and **660,000 bookings per month**, eviivo's booking and property management platform is the preferred software for hotels, B&Bs, vacation rentals, urban rentals, guest houses, serviced apartments, resorts, inns, villas, cottages, campsites and even unique accommodations, such as windmills, boats, castles and yurts!

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17
industry
awards

eviivo has seven main headquarters across the globe, including: London, UK (flagship location); Austin, TX and New York, NY (USA); Dusseldorf, Germany, Paris, France; Malaga, Spain; and Tunis, Tunisia.

ABOUT eviivo

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